

UNAPPROVED
North Sioux City, South Dakota
City Council Regular Meeting Minutes
October 17, 2016

Meeting called to order at 7:00 p.m. by Mayor Fredericksen. Beavers, Berg, Christiansen, Copley, Parks, Slater, Reiff and Verdoorn were present. Also in attendance were City Administrator Ted Cherry and Finance Officer Susan Kloostra.

Mayor Fredericksen led the Pledge of Allegiance.

Motion by Copley second by Christiansen to approve the agenda as presented. Unanimous.

Motion by Reiff second by Verdoorn to approve the October 3 Regular Council Meeting Minutes. Unanimous.

Cherry presented the Council with the updated figures for health insurance options. The costs came back from the providers at a higher rate than originally planned and budgeted for. To stay on the current plan with the Wellmark Gold HSA Plan it would increase insurance costs by 22% over last year's premiums, approximately \$44,000. Three options to reduce insurance coverage were presented: a new Sanford co-deductible plan, a new Avera HSA plan, and a step down Wellmark Silver HSA (a higher deductible) plan. The current life and dental insurance cost will not increase. Each option requires an increase to the budget line.

Cherry introduced our insurance brokers from Principal Financial Group, Dan Berger and Patrick Berger. They provided Council with an update to the insurance rates and options available. Time was spent reviewing the differences between the insurance companies and policies, as well as an HSA overview, talking about increased premiums due to health care reform, rates no longer factored by claims within a group but rather by a community rating, specialty drugs increasing pharmacy costs, and insurance companies profit mandated by the government. Council members asked questions of the Bergers including causes to increased healthcare, what other governmental agencies do to reduce costs, wellness incentives, HSA contributions and funding questions, questioning what other companies pay for insurance benefits and what employees can do to help.

Mayor Fredericksen suggested we should look somewhere else for cutting the budget for a \$30,000 savings within a \$7,000,000 budget. Beavers commented cutting monies given away for donations and stated we've always taken care of our employees. Christiansen recommends a compromise by adding to the HSA amount. Copley asked Principal Financial Group if other employers our size provide full family coverage, Berger answered no. Slater commented about what incremental increase is right and responsible with taxpayer money. Slater suggested adding \$625 for single and \$1,250 for family to the HSA city paid contribution.

Parks, with the support of Council, invited employees to contribute to the discussion and share their constructive ideas. Jonathan Feller felt he understood Council's frustration to make a decision after years of discussions. Feller spoke about involvement and more communication and stated he offered to be included in a round table but none took place. Council members stated any dialogue was deferred in anticipation of hiring the city administrator. Reiff stated her push last year to stay at status quo until the insurance benefits could be fully researched by our administration. Berg stated going forward and not wanting to take anything away yet there needs to be give and take. Berg stated during the last meeting asking what employees want to chip in but hasn't heard anything from employees.

Council took a recess at 8:30 p.m. and reconvened at 8:39 p.m.

The discussion continued. Jennifer Roupe said she spoke for several employees. She talked about the HSA increase and translating it into a reduction in hourly wage, and any wage increase would not help offset the increase.

Council continued discussion about HSA contribution amounts and wage increases. Council opted to keep the wages and HSA discussions separate from the health insurance choice. Motion by Parks, second by Cropley to approve accepting the Wellmark Silver HSA insurance plan as presented. Unanimous. Council would like to add HSA at the November 7 agenda.

Community/council input:

- 1) Kevin Jensen, candidate for District 16 of the SD House of Representatives, introduced himself and spoke about accessibility.
- 2) Public Works Tim Hogan thanked the Council for listening and appreciating what the Council does.
- 3) Cherry reported the ballot samples for the upcoming election are at City Hall for anyone to view.
- 4) An email from Roya Canin was handed out to Council. Cherry advised anyone to let himself or Kloostra know about odor issues, so it can be reported immediately.

Motion by Cropley second by Christiansen to enter Executive Session at 9:00 p.m. in accordance with SDCL 1-25-2 (sections 1 and 4) to discuss Contractual and Personnel matters. Unanimous.

Regular session resumed at 9:06 p.m.

Cropley made a motion, seconded by Parks, to hire Phil Ryan as a police officer at a non-certified hourly wage of \$16.59, with a six month probationary period. Unanimous.

Motion by Cropley second by Berg to approve the bills as presented. Unanimous.

BLOOMERS LAWN & GARDEN	229.99	EAGLE SCOUT FOUNTAIN
CED	110.43	SUPPLIES & MAINTENANCE-CH
CENTER POINT LGE PRINT	134.22	BOOKS (6)
CERTIFIED TESTING SERVICES,INC	5479.00	WESTSHORE RECONSTRUCTION PROJE
CITY OF SIOUX CITY IOWA	14424.75	4QTR2016 WOODBURY CTY COMM SVC
CHERRY, TED	867.05	OCT 2016 MLGE, MEAL, & TRANSP REIMB
CITY OF SIOUX CITY	27110.02	SEP2016 SWR CHGS USAGE 12,928
CROPLEY, LESA	369.14	MLGE & MEAL REIMB-SDML CONF
DATA TECHNOLOGIES, INC.	2658.99	SUMMIT SOFTWARE INSTALLATION
DAKOTA DUNES/NSC TIMES	476.04	SEP2016 PUBLISHING FEES
DEMCO, INC	75.43	STAMP, TAPE (4)
GCR TIRES & SERVICE	133.64	TIGER MOWER SERVICE CALL
GILL HAULING	8299.75	SEP2016 RESIDENTIAL WASTE
HILLYARD	15.50	TOP CLEAN
INGRAM LIBRARY SERVICES	610.04	BOOKS (40)
JACK'S UNIFORMS & EQUIPMENT	311.70	CLOTHING ALLOWANCE
JANITOR DEPOT, INC.	113.33	PAPER TOWELS, GLASS CLNR
KEVIN ODELL ELECTRIC, INC.	78.57	REPAIRED 2 LIGHTS-CH
SUSAN KLOOSTRA	190.68	MLGE & MEAL REIMB-SDML CONF IN RAPID
KMEG-TV	800.00	ADVERTISING 09/03-09/30
LEADER-COURIER	63.00	FALL CLEAN UP AD
LOCAL NO. 749	194.00	NOV2016 DUES-(4 OFFICERS)
MERCY BUSINESS HEALTH SVCS	53.33	SEP2016 EAP
MIDAMERICAN ENERGY	12877.96	SEP2016 UTILITY CHGS
NSC ECONOMIC DEVELOPMENT CORP	22869.25	4QTR2016 PAYMENT
O'REILLY AUTOMOTIVE, INC.	88.57	GLASS FUSE (3), KT CONNECTOR
ONE OFFICE SOLUTION	120.51	CHAIR (2), PRINTER, RETURNED TONER (3)
PRESTO-X COMPANY	45.00	SEP2016 PEST CONTROL-SR CENTER
QUALIFIED PRESORT SVC, LLC	1175.09	SEP2016 PSTG UTIL BILLS, SUMP PUMP LETTER
SCHIMBERG COMPANY	36.59	GAS BOTTLE, COUPLING (4)
SD ONE CALL	91.84	SEP2016 LOCATES (82)
SIOUXLAND CHAMBER OF COMMERCE	130.00	SEMI-ANNUAL MEMBERSHIP DUES
STERLING COMPUTERS CORP	318.50	LAPTOP DOCKING STATION-PD
VAST BROADBAND	1009.28	OCT2016 PHN & INT CHGS
WRIGHT EXPRESS FLEET SVCS	2274.76	SEP2016 GAS CHARGES
ZEE MEDICAL SERVICE	17.95	MEDICINE CABINET SUPPLIES

Motion by Cropley second by Beavers to adjourn at 9:07 p.m. Unanimous.

Approved

Randy Fredericksen, Mayor

Attested

Susan Kloostra, Finance Officer